

FILED

JUL 28 2016

**SECRETARY, BOARD OF
OIL, GAS & MINING**

**BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

**IN THE MATTER OF THE REQUEST FOR
AGENCY ACTION OF CRESCENT POINT
ENERGY U.S. CORPORATION FOR AN
ORDER: (1) APPROVING UNIT
OPERATIONS AND ENHANCED AND
SECONDARY RECOVERY OPERATIONS
IN THE LOWER GREEN RIVER AND
GREEN RIVER-WASATCH FORMATIONS
IN THE NW¼ AND S½ OF SECTION 15,
AND THE N½ OF SECTION 16,
TOWNSHIP 4 SOUTH, RANGE 2 EAST,
U.S.M., Uintah County, Utah, AND
THE UNDERGROUND INJECTION OF
WATER INTO SAID FORMATIONS, AND
CERTIFYING SUCH OPERATIONS AS AN
ENHANCED RECOVERY PROJECT; AND
(2) VACATING THE ORDER IN CAUSE
NO. 142-13 ESTABLISHING INCREASED
WELL DENSITY FOR SAID LANDS AND
PORTIONS OF SAID FORMATIONS**

**FINDINGS OF FACT,
CONCLUSIONS OF LAW,
AND ORDER**

**WILD HORSE ENHANCED
RECOVERY UNIT, PHASE 1**

Docket No. 2016-014

Cause No. 131-146

This Cause came on regularly for hearing before the Utah Board of Oil, Gas and Mining (the "Board") on Wednesday, June 22, 2016, at the hour of approximately 2:15 p.m. in the auditorium of the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah. The following Board members were present at the hearing: Ruland J Gill, Jr., Chairman, Carl F. Kendell, Michael R. Brown, Susan S. Davis, Gordon L. Moon, and Richard K. Borden. (Board member Chris D. Hansen was excused.) John C. Rogers, Associate Director, Oil and Gas; Brad Hill, Oil and Gas Permitting Manager; and Dustin Doucet, Petroleum Engineer, were present for the Division of Oil, Gas and Mining (the "Division"). The Board was represented by Michael S. Johnson, Assistant Attorney General, and the Division was represented by John

Robinson Jr., Assistant Attorney General. At the conclusion of the hearing, the Division expressed its support for granting Crescent Point's Request for Agency Action filed in this Cause (the "Request").

The petitioner, Crescent Point Energy U.S. Corporation ("Crescent Point") was represented by Thomas W. Clawson of MacDonald & Miller, Mineral Legal Services, PLLC, and Jordan Wells, Crescent Point's Landman; Kelly Bruchez, Crescent Point's Geologist; and Katie Matthews, Crescent Point's Development Engineer, testified on behalf of the petitioner. Mr. Bruchez was recognized by the Board as an expert for purposes of geological analysis and interpretation, and Ms. Matthews was recognized by the Board as an expert for purposes of reservoir engineering and water flood projects, operations, and economic evaluation.

On June 21, 2016, the Ute Indian Tribe by and through the Ute Tribal Business Committee, filed a letter dated June 21, 2016, with the Board wherein the Tribe declined to comment or express a position regarding Crescent Point's Request. Other than Crescent Point, the Division, and the Ute Indian Tribe, no other person or party filed a response to Crescent Point's Request and no other person or party appeared at or participated in the June 22, 2016 hearing.

At the beginning of the hearing, Crescent Point amended its Request to withdraw three of its requests for relief as stated in the Request. Crescent Point announced that it does not presently intend to drill any new wells on the "Subject Lands" (as defined herein) in addition to the existing wells listed on attached Exhibit "A." Therefore, Crescent Point withdrew, as being moot, its requests that the Board: (i) suspend the Board's well location and spacing rules as to the

Subject Lands; (ii) authorize the Division to approve well locations within the Subject Lands on an increased well-density basis; and (iii) vacate the Order issued in Cause No. 142-13.

The Board, having fully considered the testimony adduced and exhibits received and admitted into evidence at the June 22, 2016 hearing, being fully advised, and good cause appearing, hereby makes the following findings of fact, conclusions of law, and order in this Cause:

FINDINGS OF FACT

1. Notices of the time, place, and purposes of the Board's regularly scheduled June 22, 2016 hearing were mailed to all interested parties by first-class mail, postage prepaid, and were duly published in the Salt Lake Tribune, Deseret Morning News, Uintah Basin Standard, and Vernal Express pursuant to the requirements of Utah Administrative Code ("U.A.C.") Rule R641-106-100. Copies of the Request were mailed to all interested parties pursuant to U.A.C. Rule R641-104-135.

2. Other than the aforementioned letter dated June 21, 2016, from the Ute Indian Tribe, no written responses, protests, or objections to Crescent Point's Request were filed with or received by the Division or the Board, and no persons or parties appeared at, or participated in, the June 22, 2016 hearing in opposition to Crescent Point's Request in this matter. Petitioner Crescent Point and the Division's attorney and staff were the only persons or parties who attended or participated in the June 22, 2016 hearing.

3. Crescent Point is a Delaware corporation in good standing, having its principal place of business in Denver, Colorado. Crescent Point is qualified to and is doing business in

Utah, and is fully and appropriately bonded with all relevant federal, Tribal, and State of Utah agencies.

4. The proposed Wild Horse Enhanced Recovery Unit, Phase 1, embraces the following described lands in Uintah County, Utah (hereinafter sometimes the “Unit Area” or “Subject Lands”):

Township 4 South, Range 2 East, U.S.M.

Section 15: NW¼, S½

Section 16: N½

(containing 800.00 acres, more or less.)

5. The formations to be approved by the Board for unit operations and enhanced and secondary recovery operations in the Unit Area are the Lower Green River and Green River-Wasatch formations, more particularly described as follows (the “Unitized Formation”):

The interval below the stratigraphic equivalent of 4,144 feet to the base of the Green River-Wasatch formations at the stratigraphic equivalent of 9,807 feet in the Array Induction Log of the Leland Bench 35-22 Well located in the SE¼NW¼, Section 35, Township 4 South, Range 2 East, U.S.M., which 4,144 foot depth is equivalent to 4,949 feet in the Dual Laterolog of CPE’s Randlett Lamb 5-15-4-2E Well, located in the SW¼NW¼ of Section 15, Township 4 South, Range 2 East, U.S.M.

The Lamb 5-15-4-2E Well is a representative well completed within the pool underlying the Subject Lands.

6. The minerals in the lands embraced within the proposed Wild Horse Enhanced Recovery Unit, Phase 1 (the “Unit”), are owned in fee by private parties. All of the minerals in the Subject Lands are subject to oil and gas leases, and all of those leases contain “unitization

clauses” that allow the lessees to commit the leases to a unit agreement and plan of operations approved by the Board.

7. Crescent Point owns the majority of the working interests in the acreage sought to be unitized and approved for unit operations and enhanced and secondary recovery operations.

8. The surface of the Subject Lands is owned in fee, by private parties.

9. The Subject Lands are currently subject to that certain Findings of Fact, Conclusions of Law, and Order issued in Cause No. 142-13 on April 30, 2015 (the “Cause No. 142-13 Order”), which affects all of the Subject Lands and established the Southern Randlett Increased Density Development Project Area for the production of oil, gas, and other hydrocarbons from the Eocene Middle and Lower Green River and portions of the Paleocene-Wasatch Transitional formations underlying the Subject Lands. The Cause No. 142-13 Order will not affect the proposed unit operations and enhanced and secondary operations within the Subject Lands because Crescent Point does not intend to drill any additional wells within the Unit Area at the present time.

10. Drilling on the Subject Lands has proceeded under either the Cause No. 142-13 Order or statewide location and density patterns for the location and sitting of wells established by U.A.C. Rule R649-3-2 and predecessor rules.

11. The wells that have been drilled and completed in the acreage sought to unitized within the Unit Area are listed in attached Exhibit “A” (the “Subject Wells”).

12. All of the Subject Wells have produced oil and gas from the Lower Green River and Green River-Wasatch formations.

13. The Unitized Formation underlying the Unit Area is a solution-gas drive reservoir that is normally pressured. As is characteristic of such reservoirs, there is a relatively rapid loss of reservoir energy as primary production occurs, resulting in a rapid decline in production and low primary recovery. The Unitized Formation currently is below “bubble-point” due to the depletion of the reservoir energy associated with the primary production from the Subject Wells, which requires that the reservoir be repressurized by enhanced and secondary recovery operations.

14. As of May 1, 2016, the estimated incremental reserves are approximately 2.97 million barrels of oil and 4.432 MMCF of gas if unit operations and enhanced and secondary recovery operations based on a 3-well line-injection pattern as outlined in Crescent Point’s evidence, as presented and admitted at the hearing, are implemented. A water flood enhanced and secondary project in the Unitized Formation based on the proposed linear injection pattern could increase ultimate recovery by approximately 2.97 million barrels of oil and 4.432 MMCF of gas.

15. The proposed water flood project, as presented at the June 22, 2016 hearing, will require approximately \$3,700,000 in additional expenses beyond the expenses associated with the current development operations. The net present value of the estimated incremental reserves is approximately \$58,300,000 after accounting for the additional costs associated with implementing the enhanced and secondary recovery operations. The value of the estimated additional recovery of oil and gas substantially exceeds the estimated additional cost incident to conducting enhanced and secondary recovery operations.

16. Crescent Point is the operator of other nearby water flood projects and other such projects located in Canada. Crescent Point is experienced in the operation of water flood projects.

17. Applications for approval of the Deep Creek 1-16-4-2E Well, Lamb 5-15-4-2E Well, and Deep Creek 11-15-4-2E Well as Class II injection wells within the Unit Area have been submitted to the Division for approval on an administrative basis.

18. Under the proposed enhanced and secondary recovery plan, the average injection rate will be approximately 200-300 barrels of water per day per injection well. The maximum pressure will vary by well, but will be less than parting pressure as determined by step-rate tests.

19. The water to be used as the injection medium for the Unit will come from producing wells and the ULT 4-31-3-2E and ULT 11-5-4-2E water disposal facilities. The water will be treated as necessary and will be transported by truck and/or pipeline to the Unit. Such water has already been approved for injection by the Board in connection with the ULT Waterflood Project and the Randlett Waterflood Project.

20. No voluntary agreement of the type contemplated by Sections 40-6-7(1) and 40-6-8 of the Utah Code exists with respect to the proposed Unit, and no plan of development and operation of the pool beneath the Subject Lands as a unit as contemplated by Section 40-6-8 of the Utah Code exists with respect to the proposed Unit.

21. In excess of 70 percent of all owners of working interest are agreeable to the plan of unit operations and development prescribed by the Board and the Division, and such owners have expressed in writing their approval of said plan of unit operations and development. The

prescribed plan of unit operations and development was presented by Crescent Point at the June 22, 2016 hearing through its testimony and hearing exhibits.

22. At the time of the hearing, less than 70 percent of all owners of non-cost bearing interests, such as royalty and overriding royalty interests, had approved the plan of unit operations and enhanced and secondary recovery as prescribed by the Board and Division. However, as evidenced by the Affidavit of Jordan Wells filed in this Cause on July 13, 2016 (the “Wells Affidavit”), immediately after the hearing Crescent Point received additional written approvals of the proposed plan of unit operations and development from such owners. Currently, with the additional approvals, more than 70 percent of all such owners of non-cost bearing interests have approved, in writing, the proposed plan of unit operations and development. The Board hereby takes official notice of the Wells Affidavit in this regard.

23. Crescent Point will be the designated operator.

24. The formula for the allocation of production from the Unit proposed by Crescent Point as contained in the Cooperative Plan of Development for the Wild Horse Enhanced Recovery Unit, Phase 1, Uintah County, Utah (the “Unit Agreement”), as introduced and admitted into evidence at the hearing as Exhibit F, utilizes the following parameters and weighting percentages for purposes of calculating the tract participating factors for the separate tracts in the proposed Unit Area: (1) original oil in place—33.0%; (2) current production rate in barrels of oil per day—33.0%; and (3) remaining reserves to be recovered—34.0%. These parameters and the weight they are given in the allocation formula are generally fair and equitable and protective of correlative rights. Use of such parameters is common in the industry

and is reasonable in this Cause. The proposed participation and allocation formula is consistent with industry practices and is acceptable to the Board and the Division.

25. The allocation of costs and expenses for the Unit as contained in the Unit Agreement and Unit Operating Agreement for the Wild Horse Enhanced Recovery Unit, Phase 1, Uintah County, Utah, (the "Unit Operating Agreement"), as introduced and admitted as evidence at the hearing as Exhibit Z, is acceptable to the Board and the Division.

26. The Unit Agreement and Unit Operating Agreement are reasonable and acceptable to the Board and the Division.

27. The geology and engineering data for the Unit, as introduced, adduced, and admitted into evidence at the June 22, 2016 hearing, including the materials contained in the hearing exhibits (collectively, the "Geology and Engineering Data"), are reasonable and acceptable to the Board and the Division.

28. The plan of unit operations and development contained in the Unit Agreement, Unit Operating Agreement, and the Geology and Engineering Data is reasonable and will satisfy the requirements of Section 40-6-8(3) of the Utah Code, and will accomplish the goals of the enhanced and secondary recovery project.

29. The proposed unit operations and enhanced and secondary recovery operations in the Unit Area are necessary to fulfill the purposes of Chapter 6 of Title 40 of the Utah Code.

30. Section 59-5-102(8) of the Utah Code provides that a 50% reduction in the severance tax rate is imposed upon the incremental production achieved from an enhanced recovery project.¹ Section 59-5-101(7) provides, in pertinent part, that:

“Enhanced recovery project” means: (a) the injection of liquids ... directly into a reservoir for the purpose of: (i) augmenting reservoir energy; (ii) modifying the properties of the fluids or gases in a reservoir; or (iii) changing the reservoir conditions to increase the recoverable oil, gas, or oil and gas through the joint use of two or more well bores; and (b) a project initially approved by the board as a new or expanded enhanced recovery project on or after January 1, 1996.

Section 59-5-101(9) provides that:

“Incremental production” means that part of production, certified by the Division of Oil, Gas and Mining, which is achieved from an enhanced recovery project that would not have economically occurred under the reservoir conditions existing before the project and that has been approved by the division as incremental production.

31. The unit operations and enhanced and secondary operations for the proposed Unit qualify as operations of an enhanced recovery project for purposes of Section 59-5-102(8) of the Utah Code.

32. The Board voted unanimously to approve Crescent Point’s Request as submitted.

CONCLUSIONS OF LAW

1. Due and regular notice of the time, place, and purposes of the Board’s regularly scheduled June 22, 2016 hearing was given to all interested parties in the form and manner and

¹ In this regard, the Request references (former) Section 59-5-102(7) of the Utah Code. References at the hearing also were made to (former) Section 59-5-102(7) regarding the severance tax rate reduction. This section of the Utah Code, however, was renumbered as Section 59-5-102(8) in connection with legislation passed during the 2016 Utah legislative session, which became effective March 28, 2016. The prior references to Section 59-5-102(7) are hereby updated and modified to reference current Section 59-5-102(8) accordingly.

within the time required by law and the rules and regulations of the Board. Due and regular notice of the filing of the Request was given to all interested parties in the form and manner required by law and the rules and regulations of the Board.

2. Pursuant to Sections 40-6-5, 40-6-7, 40-6-8, and 59-5-102 of the Utah Code, the Board has jurisdiction over all matters covered by the Request and all interested parties therein, and has the power and authority to make and issue an order thereunder and as herein set forth.

3. Crescent Point's proposed unit operations and enhanced and secondary recovery operations in the Unitized Formation as contemplated by the Unit Agreement, Unit Operating Agreement, and Geology and Engineering Data, as presented and admitted into evidence at the June 22, 2016 hearing, are reasonable and in the public interest, and will promote conservation, will increase ultimate recovery, will prevent waste, and will protect correlative rights.

4. Crescent Point's proposed unit operations and enhanced and secondary recovery operations for the Unit are reasonably necessary to fulfill the purposes of Chapter 6 of Title 40 of the Utah Code.

5. The plan of unit operations and development, as presented at the hearing and as contained in the Unit Agreement, Unit Operating Agreement, and Geology and Engineering Data, will accomplish the goals of the Unit.

6. The proposed water-injection operations based on a 3-well linear pattern are reasonable and consistent with the Cause No. 142-13 Order and the well location and siting rules (U.A.C. Rules R649-3-2 and R649-3-3) with respect to the proposed operations.

7. Crescent Point has sustained its burden of proof, demonstrated good cause, and satisfied all legal requirements for granting the Request.

8. Good cause appears to certify the Unit as an enhanced recovery project for purposes of Section 59-5-102(8) of the Utah Code.

9. Pursuant to U.A.C. Rule R641-108-204, the Board may take official notice of the Wells Affidavit identified in Finding of Fact No. 22 herein.

ORDER

Based upon the Request, the testimony and evidence submitted and entered into evidence at the June 22, 2016 hearing and the findings of fact and conclusions of law as stated above, it is therefore ordered that:

1. Crescent Point's Request seeking approval of the Wild Horse Enhanced Recovery Unit, Phase 1, is granted.

2. The Lower Green River and Green River-Wasatch formations, defined as follows:

The interval below the stratigraphic equivalent of 4,144 feet to the base of the Green River-Wasatch formations at the stratigraphic equivalent of 9,807 feet in the Array Induction Log of the Leland Bench 35-22 Well located in the SE¼NW¼, Section 35, Township 4 South, Range 2 East, U.S.M., which 4,144 foot depth is equivalent to 4,949 feet in the Dual Laterolog of CPE's Randlett Lamb 5-15-4-2E Well, located in the SW¼NW¼ of Section 15, Township 4 South, Range 2 East, U.S.M.

underlying the lands in Uintah County, Utah, described as follows:

Township 4 South, Range 2 East, U.S.M.

Section 15: NW¼, S½

Section 16: N½

(containing 800.00 acres, more or less)

constitutes a pool for the operation of the Wild Horse Enhanced Recovery Unit, Phase 1, and the Board hereby establishes the same as a pool to be operated jointly as a unit for the continued

operation of all wells thereon. The lands and pool shall be known as the Wild Horse Enhanced Recovery Unit, Phase 1, Unit Area.

3. The unit hereby established shall be known as the Wild Horse Enhanced Recovery Unit, Phase 1.

4. The Unitized Formation, as defined in paragraph 2 of this Order, constitutes a pool for the operation of a water flood enhanced and secondary recovery project, and the Board hereby establishes the same to be operated as a unit for enhanced and secondary recovery operations.

5. The Unit Agreement and Unit Operating Agreement, with attachments, as introduced and admitted into evidence at the June 22, 2016 hearing, are hereby approved.

6. The plan of unit operations and development as set forth in the Unit Agreement, Unit Operating Agreement, and Geology and Engineering Data is hereby approved.

7. Pursuant to Section 40-6-8(4) of the Utah Code, the Unit Agreement and Unit Operating Agreement shall be binding upon all owners of working interests or operating rights and all owners of lessor's royalty and other leasehold burdens within the Unit Area as authorized by Sections 40-6-7 and 40-6-8 of the Utah Code, because more than 70 percent of those owners have approved, in writing, the plan for unit operations and development prescribed by the Board and the Division.

8. Any owner of working interest or operating rights who does not voluntarily commit its interest to the Wild Horse Enhanced Recovery Unit, Phase 1, shall be a "non-consenting owner" and shall be deemed to have contracted with the unit operator for its proportionate part of the cost of developing and operating the Unit Area in accordance with

Section 40-6-8(3)(e) of the Utah Code and as provided by the Unit Agreement and Unit Operating Agreement, including the imposition of a first and prior operator's lien for costs incurred pursuant to the plan of unit operations and development and a reasonable interest rate on unpaid Unit Expense as provided in the Unit Operating Agreement. A transfer or conversion of any owner's interest or any portion of it, however accomplished, after the effective date of this Order shall not relieve the transferred interest of the operator's lien on said interest for the cost and expense of unit operations.

9. The allocation formula for all of the oil and gas produced from the Unit Area as described in the Unit Agreement is hereby approved.

10. The Wild Horse Enhanced Recovery Unit, Phase 1, is certified as an enhanced recovery project for purposes of the severance tax rate reduction pursuant to Section 59-5-102(8) of the Utah Code.

11. The underground injection program proposed by Crescent Point in connection with the unit operations and enhanced and secondary recovery project is hereby approved.

12. Individual injection wells shall be approved by the Division on an administrative basis in accordance with U.A.C. Rule R649-5-2.

13. This Order does not waive the jurisdiction of the Board over the Underground Injection Control (UIC) program with respect to the injection wells contemplated for the Wild Horse Enhanced Recovery Unit, Phase 1, Unit Area and expressly directs Crescent Point to comply with all requirements and procedures of the UIC program administered by the Division.

14. Pursuant to U.A.C. Rules R641 and Utah Code Ann. §§ 63G-4-204 to -208, the Board has considered and decided this Cause as a formal adjudication.

15. This Findings of Fact, Conclusions of Law, and Order (“Order”) is based exclusively on evidence of record in the adjudicative proceedings or on facts officially noted, and constitutes the signed written order stating the Board’s decision and the reasons for the decision, all as required by the Utah Administrative Procedures Act, Utah Code Ann. § 63G-4-208, and U.A.C. Rule R641-109.

16. Notice Re: Right to Seek Judicial Review by the Utah Supreme Court or to Request Board Reconsideration: The Board hereby notifies all parties in interest that they have the right to seek judicial review of this final Board Order in this formal adjudication by filing a timely appeal with the Utah Supreme Court within 30 days after the date that this Order is issued. Utah Code Ann. §§ 63G-4-401(3)(a) and -403. As an alternative to seeking immediate judicial review, and not as a prerequisite to seeking judicial review, the Board also hereby notifies all parties that they may elect to request that the Board reconsider this Order, which constitutes a final agency action of the Board. Utah Code Ann. § 63G-4-302, entitled “Agency Review-Reconsideration,” provides:

(1)(a) Within 20 days after the date that an order is issued for which review by the agency or by a superior agency under Section 63G-4-301 is unavailable, and if the order would otherwise constitute final agency action, any party may file a written request for reconsideration with the agency, stating the specific grounds upon which relief is requested.

(b) Unless otherwise provided by statute, the filing of the request is not a prerequisite for seeking judicial review of the order.

(2) The request for reconsideration shall be filed with the agency and one copy shall be sent by mail to each party by the person making the request.

(3)(a) The agency head, or a person designated for that purpose, shall issue a written order granting the request or denying the request.

(b) If the agency head, or the person designated for that purpose does not issue an order within 20 days after the filing of the request, the request for reconsideration shall be considered to be denied.

Id. The Board also hereby notifies all parties that Utah Administrative Code Rule R641-110-100, which is part of a group of Board rules entitled, “Rehearing and Modification of Existing Orders,” states:

Any person affected by a final order or decision of the Board may file a petition for rehearing. Unless otherwise provided, a petition for rehearing must be filed no later than the 10th day of the month following the date of signing of the final order or decision for which the rehearing is sought. A copy of such petition will be served on each other party to the proceeding no later than the 15th day of that month.

Id. See Utah Admin. Code R641-110-200 for the required contents of a petition for rehearing.

If there is any conflict between the deadline in Utah Code Ann. § 63G-4-302 and the deadline in Utah Administrative Code R641-110-100 for moving to rehear this Cause, the Board hereby rules that the later of the two deadlines shall be available to any party moving to rehear this matter. If the Board later denies a timely petition for rehearing, the party may still seek judicial review of the Order by perfecting a timely appeal with the Utah Supreme Court within 30 days thereafter.

17. The Board retains continuing jurisdiction over all the parties and over the subject matter of this Cause, except to the extent said jurisdiction may be divested by the filing of a timely appeal to seek judicial review of this Order by the Utah Supreme Court.

18. For all purposes, the Chairman's signature on a faxed or electronic copy of this Order shall be deemed the equivalent of a signed original.

DATED this 28th of July, 2016.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING

By:


Rutland J Gill, Jr., Chairman

EXHIBIT "A"

(List of Wells Completed in the Wild Horse Enhanced Recovery Unit, Phase 1, Unit Area)

1. Deep Creek 1-16-4-2E Well (API 43-047-52412) located in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 16, Township 4 South, Range 2 East, U.S.M.
2. Deep Creek 2-16-4-2E Well (API 43-047-52446) located in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 16, Township 4 South, Range 2 East, U.S.M.
3. Deep Creek 3-16-4-2E Well (API 43-047-52413) located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 16, Township 4 South, Range 2 East, U.S.M.
4. Deep Creek 4-16-4-2E Well (API 43-047-52448) located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 16, Township 4 South, Range 2 East, U.S.M.
5. Deep Creek 5-16-4-2E Well (API 43-047-52416) located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 16, Township 4 South, Range 2 East, U.S.M.
6. Deep Creek 6-16-4-2E Well (API 43-047-52449) located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 16, Township 4 South, Range 2 East, U.S.M.
7. Deep Creek 7-16-4-2E Well (API 43-047-52418) located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 16, Township 4 South, Range 2 East, U.S.M.
8. Deep Creek 8-16-4-2E Well (API 43-047-52450) located in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 16, Township 4 South, Range 2 East, U.S.M.
9. Lamb 3-15-4-2E Well (API 43-047-53014) located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 15, Township 4 South, Range 2 East, U.S.M.

10. Lamb 4-15-4-2E Well (API 43-047-53015) located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 15, Township 4 South, Range 2 East, U.S.M.
11. Lamb 5-15-4-2E Well (API 43-047-53016) located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 15, Township 4 South, Range 2 East, U.S.M.
12. Lamb 6-15-4-2E Well (API 43-047-53017) located in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 15, Township 4 South, Range 2 East, U.S.M.
13. Deep Creek 9-15-4-2E Well (API 43-047-53018) located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 15, Township 4 South, Range 2 East, U.S.M.
14. Deep Creek 10-15-4-2E Well (API 43-047-53019) located in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 15, Township 4 South, Range 2 East, U.S.M.
15. Deep Creek 11-15-4-2E Well (API 43-047-52422) located in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 15, Township 4 South, Range 2 East, U.S.M.
16. Deep Creek 12-15-4-2E Well (API 43-047-52451) located in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 15, Township 4 South, Range 2 East, U.S.M.
17. Deep Creek 13-15-4-2E Well (API 43-047-52424) located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 15, Township 4 South, Range 2 East, U.S.M.
18. Deep Creek 14-15-4-2E Well (API 43-047-52452) located in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 15, Township 4 South, Range 2 East, U.S.M.
19. Deep Creek 15-15-4-2E Well (API 43-047-52425) located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 15, Township 4 South, Range 2 East, U.S.M.
20. Deep Creek 16-15-4-2E Well (API 43-047-52426) located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 15, Township 4 South, Range 2 East, U.S.M.

CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of July, 2016, I caused a true and correct copy of the foregoing **ORDER** for Docket No. 2016-014 Cause No. 131-146, to be mailed by Email or via First Class Mail with postage prepaid, to the following:

Macdonald & Miller
Mineral Legal Services, PLLC
Thomas W. Clawson, Esq.
7090 S. Union Park Ave., Ste. 400
Midvale, Utah 84047
Email: fred@macmillerlegal.com

Petitioner's Address:

Crescent Point Energy U.S. Corp.
Attention: Jordan Wells
555 17th Street, Suite 1800
Denver, CO 80202

Attorneys for Petitioner Axia Energy II, LLC

Steven F. Alder
John Robinson Jr.
Melissa L. Reynold
Utah Attorney General's Office
Natural Resources Division
1594 W. North Temple, Suite 300
Salt Lake City, Utah 84116
Email: stevealder@utah.gov
Email: jrobinson@utah.gov
Email: mreynolds@utah.gov

Mike Johnson
Utah Attorney General's Office
Natural Resources Division
1594 W. North Temple, Suite 300
Salt Lake City, Utah 84116
Email: mikejohnson@utah.gov

*Assistant Attorney General Representing The
Board of Oil, Gas and Mining*

*Assistant Attorneys General Representing The
Division of Oil, Gas and Mining*

Adrian B. Massey
1131 S 730 W
Payson, UT 84651

Adrienne Willey Larson
300 East 4500 South
Murray, UT 84107

Alan R. Wilson
Living Trust Dtd 6/6/2007
4807 Granite Hill Road
Grants Pass, OR 97526

Anna Beth Magee
PO Box 129
Emmetsburg, IA 50536

Argo Energy Partners Ltd
PO Box 1808
Corsicana, TX 75151

Boyd Kenneth Olson
2412 North Rose
Mesa, AZ 85213

Brigham & Vera Krause Estate Trust
300 East 4500 South
Murray, UT 84107

Bureau of Indian Affairs
PO Box 130
Fort Duchesne, UT 84026

Carlyn Mitas
33500 SE Stevens Rd
Corbett, OR 97019

Chalfant Inc
PO Box 3123
Midland, TX 79702

Charles R Tierce
3917 Tanforan Court
Midland, TX 79707

Constance Joy Reist
Rev Tr Dtd 10-24-14
2352 St Francis Drive
Palo Alto, CA 94303

Anita Stewart Ashby
#1 Northridge Way
Sandy, UT 84092

Annette Abercrombie
RT 2 Box 2302
Roosevelt, UT 84066

Becky Jo Gebhart Jackson
3971 South 1750 East
Vernal, UT 84078

Brenda E. Pierson
8173 S 535 E
Sandy, UT 84070

Broughton Petroleum Inc
PO Box 1389
Sealy, TX 77474

Cabin Cruiser, LLC
888 East Ranch Circle
Draper, UT 84020

Cat Spring Properties LLC
PO Box 450
Sealy, TX 77474

Chalise Abelhouzen
2155 South Hidden Valley #242
St George, UT 84790

Coleman Mountain Holdings LLC
3490 E. Hidden Springs Dr.
Washington, UT 84780

Covey Minerals Inc.
Attn: Gary R Nelson
2733 East Parleys Way, Suite 304
Salt Lake City, UT 84109

Crescent Point Energy Us Corp
555 17th Street Suite 1800
Denver, CO 80202

Daniel S. Sam and
Penny B. Sam
1104 W 1700 S
Vernal, UT 84078

David A. Sparks
5804 Cranston Place
Midland, TX 79707

David R. Olsen Living Trust
389 Isle Court
Palm Beach Gardens, FL 33418

Dean R. Wixom
639 Pine Street
Monterey, CA 93940

Deep Creek Investments, LLC
2400 Sunnyside Ave.
Salt Lake City, UT 84108

Dorothy Stringham Searle
Memorial Trust
25 West 900 North
Bountiful, UT 84010

Douglas and Christine Newson
7630 Gracemoor Court
Las Vegas, NV 89149

Dusty Sanderson
7802 Bennington Dr
Amarillo, TX 79119-4994

Emma Jean Murray
218 West Rangely Avenue
Rangely, CO 81648

Croff Oil Company, Inc.
16 Waterway Court
The Woodlands, TX 77380

Danny George Massey
1362 South 1100 West, A
Provo, UT 84601

David Christian Pierson
13705 El Espejo Rd
La Mirada, CA 90638

DCP Investments LLC
1365 Ambassador Way
Salt Lake City, UT 84108

Deep Creek Investment
2400 Sunnyside Ave
Salt Lake City, UT 84108

Diana Lynn Wilson
PO Box 624
Huntington, UT 84528

Doug Boyd Massey
1362 South 1100 West
Provo, UT 84601

Douglas Wayne Webster
2806 East 21 Street
Odessa, TX 79761

Eliason Eight, LLC
4349 Lynne Lane
Salt Lake City, UT 84124

EP Energy E&P Company LP
PO Box 301108
Dallas, TX 75303-1108

Finley Resources Inc
1308 Lake St
Fort Worth, TX 76102

Frances C. Loos
Mary C. Brinkerhoff
2142 Eastwood
Ogden, UT 84403

George G. Staley
PO Box 1556
Midland, TX 79705

George W. Hoover
78 South Ville Franche Circle
St George, UT 84770
[Undeliverable]

Glenda A. Sparks
4201 North Garfield St Apt 117
Midland, TX 79705

H Craig and Robyn Hall
11607 Roselawn Way
South Jordan, UT 84095

III Exploration II LP
960 Broadway Avenue, Suite 500
PO Box 70019
Boise, ID 83706

J. Hiram Moore Ltd
16400 North Dallas Parkway Ste 400
Dallas, TX 75248

James C. Reeder
512 N Foothill Road
Beverly Hills, CA 90210

James Mcnaughton
2354 Galaxy Way
Lake Orion, MI 48360

Floyd L. Massey Etux and Geneva
PO Box 93
Jensen, UT 84035

Gelmax Holdings LLC
1737 Nalulu Place
Honolulu, HI 96821

George G. Vaught Jr
PO Box 13557
Denver, CO 80201

Gerald J. Hertel
PO Box 10909
Midland, TX 79702

Gordon A. Mckinlay Jr
4141 East 550 N.
Rigby, ID 83442

Hansen Oil Properties LP
PO Box 291275
Kerrville, TX 78029

J. Barry & Donna L Hall Trust
9595 Sweet Clover Lane
South Jordan, UT 84095

Jacqueline Peters
3300 Carpenter Rd. SE, #D-58
Lacey, WA 98503
[Address updated 5/17/2016]

James F. Deal
304 Reservoir Road
Beckley, WV 25801-4439

James Michael Sparks
4138 Green Meadow Drive
San Angelo, TX 76904

James R. Blackmon
PO Box 8072
Horseshoe Bay, TX 78657

Janet Hall Christensen
25 Briarglen
Aliso Viejo, CA 92656

Jerald G. Massey
587 East 100 North
Springville, UT 84663

Jess C. Cheney
2040 E 4800 S #208
Salt Lake City, UT 84117

Julian Massey Jr
1749 N 1500 West
Vernal, UT 84078

Kaiser-Francis Oil Co.
6733 S. Yale Avenus
Tulsa, OK 74136

Karl & Donna Lamb
PO Box 332
Myton, UT 84052

Kathy Lynn Laris and
Michael Craig Laris
397 South 1000 East
Vernal, UT 84078

Kera Kathleen Townsend Proffitt
2700 F Street
Sacramento, CA 95816

Lambert Legacy LLC
3375 Cherokee Lane
Provo, UT 84604

Janet E. Olsen
1746 North 900 East
North Ogden, UT 84414

Jencar Ltd.
1777 South 2600 East
Salt Lake City, UT 84108

Jerry L. Hooper
PO Box 17006
San Antonio, TX 78217

Joy Peterson
393 North 3400 East
Lewisville, ID 83431

Julie Deppe
P.O. Box 11
Jensen, UT 84035
[Address updated 06/01/2016]

Karen Stuart
2046 Ridgewood Way
Bountiful, UT 84010-1655
[Address updated 6/12/2016]

Karl L. Lamb,
Successor Trustee Under
PO Box 332
Myton, UT 84052

Kay Tingey
4989 S Topaz
Flagstaff, AZ 86001

Kerr Mcgee Corporation
PO Box 730875
Dallas, TX 75373-0875

Lanore Whiting
1787 South 40 West
Orem, UT 84058

Larraine M. Nelson
2036 West 1600 North
Provo, UT 84604

Loretta E. Oborn
212 Baldwin Avenue
Roseville, CA 95678

Lynn Michael Larsen
1013 25th Avenue
Saint Cloud, MN 56303
[Undeliverable]

Margee Allan
373 North 400 East
Springville, UT 84663

Mark C. Miller
3113 Carrigan Canyon Drive
Salt Lake City, UT 84109

Mark J. Massey
1378 Elk Hollow Rd
N Salt Lake, UT 84054

Melanie Webster Huff
4713 Spring Meadow Lane, 6
Midland, TX 79705

Michael D. Pierson
1012 Ridge Road
Lewiston, NY 14092-9704

Michael Highsmith
PO Box 16
Buda, TX 78610

Lola Tamson and
Howard Rex Carroll
1030 S 850 W
Vernal, UT 84078

Lowell Hall
20 North Mountain Rd
Fruit Heights, UT 84037

Macmurray Investment Co Ltd
5335 Roseleaf Drive
Salt Lake City, UT 84123

Mark B. Kettle and
Meredith A. Kettle
1718 East 1000 South
Ballard, UT 84066

Mark D. Foley and
Judy H. Foley Trust
215 North 1200 West
Vernal, UT 84078

Marlene Kettle
1426 South 1500 East
Ballard, UT 84066

MHM Resources LP - Revenue
P.O. Box 202656
Dallas, TX 75320-2656

Michael F.D. Massey
162 North 130 East
Orem, UT 84057

Michelle S. Lavin
14631 Mimosa Lane
Tustin, CA 92780

Myra Cook
356 West 280 North
Providence, UT 84332

Newfield Exploration
24 Waterway Ave, Suite 900
The Woodlands, TX 77380

Nolan G. Massey
1398 West 400 South
Vernal, UT 84078

ONRR BIA and BLM Services
Federal Indian Minerals Office
6251 College Blvd Ste B
Farmington NM 87402-1783

Patricia Reeder Eubank
3350 Calle Bonita
Santa Ynez, CA 93460

Paule S. Hewlett and
1736 Nicholson Street
Houston, TX 77008

Pheasant Energy LLC
PO Box 471458
Fort Worth, TX 76147

Ray & Donna West Living Trust
3107 Metz Drive
Midland, TX 79705

Richard Brent Olson
1919 East 6925 North
Eden, UT 84310

Scott Carleson
7088 Pine Cone Street
Cottonwood Heights, UT 84121

Nedene S. Jacoben Family Trust
123 East 2nd Avenue Apt 415
Salt Lake City, UT 84103
[Undeliverable]

Nichole J. Bancroft
30 North 1100 West
Vernal, UT 84078

O'brien Production Company Inc
PO Box 50804
Midland, TX 79710-0804

Patricia Ann Hartle
20 West 2 South
Wellsville, UT 84339

Paul L. Mccullis
PO Box 3248
Littleton, CO 80161-3248

Pauline Hullinger
135 Oglsby Bridge Rd. Se
Conyers, GA 30208

Ralph Olsen
40 N. 500 E.
Pleasant Grove, UT 84062

Reist Family Trust Dtd 2-16-06
1120 Santa Rufina Court
Solana Beach, CA 92075

Salradus, LLC
148 West Center Street
Heber City, UT 84032

Shauna Buxton
1562 Del Rosa
Sparks, NV 89434

Sherry L. Highsmith
PO Box 16
Buda, TX 78610

Sherwin B. Massey
953 South 930 West
Payson, UT 84651

Stanley Womack Jr and
Renee Womack
Route 2 Box 2320
Roosevelt, UT 84066

Stewart Family Tr Fbo
Richard S Stewart
2405 St Mary's Drive
Salt Lake City, UT 84108

Stringham Sheep LLC
867 Lizzie Lane
St. George, UT 84790

Susan Kaye Kedzie
PMB
3916 North Potsdam Avenue
Sioux Falls, SD 57104-7048
[Address updated 6/12/2016]

Tamara Parkinson
4986 South 2000 West #43
Rexburg, ID 83440

The Coleman Family Trust,
Joseph N. Coleman Trustee
393 East Center Street
Heber City, UT 84032

Theodore M. Ferguson
PO Box 2558
Midland, TX 79702

Sherry L. Miller
1207 South 5 West
Rexburg, ID 83440

Smith Minerals, Ltd.
2808 Silent Spring Creek
Katy, TX 77450

Stewart Family Tr Fbo
Leslie M Stewart
2405 St Mary's Drive
Salt Lake City, UT 84108

Stringham Mineral Trust,
Barbara Ann
8227 Deep Creek Road
Vernal, UT 84078

Susan Furness
1887 Innsbruck Way
Salt Lake City, UT 84121

Sybil Thomas
19710 Timberridge Dr
Magnolia, TX 77355

Teralynn Pitt Deal Lehmann
1184 West Art Ct.
Kuna, ID 83634

The Coleman Family Trust,
Leila Coleman Trustee
950 S. 400 E. Apt. #104
St. George, UT 84770
[Undeliverable]

Thomas E. Hall
Testamentary Trust
965 West Pinnocchio Dr
Salt Lake City, UT 84116

Timothy Townsend
240 The Village #201
Redondo Beach, CA 90277

University of Utah
C/O W. S. Nicholson, As Agent
300 East 4500 South
Murray, UT 84107

Ute Distribution Corp
94 North 200 East
Roosevelt, UT 84066

Valda D. Massey
102 South 2500 West
Vernal, UT 84078
[Undeliverable]

Wallace Family Trust
Dtd 10-16-14
1536 Secrest Ct.
Golden, CO 80401

Tina Hymas
542 E 1st N Street
St. Anthony, ID 83445

USA - Bureau of Land Management
BLM Utah State Office
440 West 200 South, Suite 500
Salt Lake City, Utah 84101-1345

Ute Indian Tribe
Energy and Minerals Department
PO Box 190
Fort Duchesne, UT 84026

Verlie A. Stringham McCarrel Trust
875 West 100 North
Vernal, UT 84078

Yayma LLC
7065 S Penrose Ct
Centennial, CO 80122

A handwritten signature in cursive script, reading "Julie Ann Carter", is written over a solid horizontal line.